

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended

| | | | |
|--|-------------------------------------|---|------------------|
| Local Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other | | Local Unit Name Berlin Charter Township | County MONROE |
| Fiscal Year End December 31, 2006 | Opinion Date May 25, 2007 | Date Audit Report Submitted to State June 8, 2007 | |

We affirm that:


We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

| YES | NO | Check each applicable box below. (See instructions for further detail.) |
|--|--------------------------|---|
| 1 <input checked="" type="checkbox"/> | <input type="checkbox"/> | All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary. |
| 2 <input checked="" type="checkbox"/> | <input type="checkbox"/> | There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures. |
| 3 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury. |
| 4 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has adopted a budget for all required funds. |
| 5 <input checked="" type="checkbox"/> | <input type="checkbox"/> | A public hearing on the budget was held in accordance with State statute. |
| 6 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division. |
| 7 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit. |
| 8 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit only holds deposits/investments that comply with statutory requirements. |
| 9 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin). |
| 10 <input checked="" type="checkbox"/> | <input type="checkbox"/> | There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover. |
| 11 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit is free of repeated comments from previous years. |
| 12 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The audit opinion is UNQUALIFIED. |
| 13 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP). |
| 14 <input checked="" type="checkbox"/> | <input type="checkbox"/> | The board or council approves all invoices prior to payment as required by charter or statute. |
| 15 <input checked="" type="checkbox"/> | <input type="checkbox"/> | To our knowledge, bank reconciliations that were reviewed were performed timely. |

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

| | | | |
|--|--|--|--|
| We have enclosed the following: | | Enclosed | Not Required (enter a brief justification) |
| Financial Statements | | <input checked="" type="checkbox"/> | |
| The letter of comments and recommendations. | | <input checked="" type="checkbox"/> | |
| Other (Describe) | | <input type="checkbox"/> | |
| Certified Public Account (Firm Name) McGuire & McDole CPAs | | Tele[phone Number 734-854-5044 | |
| Street Address 6588 Secor Road | | City Lambertville | State MI |
| | | Zip 48144 | |
| Authorizing CPA Signature  | | Printed Name Donavon McGuire | |
| | | License Number 1101008386 | |



McGuire & McDole
Certified Public Accountants

L. Donavon McGuire, CPA
Mark McDole, CPA

6588 Secor Road
Lambertville, MI 8144
Tel 734-854-5044
Fax 734-854-2540

May 31, 2007

Berlin Charter Township Board
Newport, MI

Dear Board Members,

Our audit of the financial statements of Berlin Charter Township for the year ended December 31, 2006, was made in accordance with the generally accepted auditing standards which require that we determine that existing internal controls, accounting procedures and accounting records are adequate to allow us to express an opinion on the financial statements of the Township. The scope of our audit is not intended to be a detailed review of all systems and procedures; therefore, this report should not be considered all-inclusive.

As a result of our audit, we have the following comments and recommendations:

Utility Billings – All water and sewer billing adjustments should be approved prior to posting by the utilities clerk.

Utility Receivables – The water and sewer accounts receivable should be reconciled on a quarterly basis from the detail to the general ledger accounts.

Training – The Township should consider training employees to perform more than one job category. More than one person should have a functional knowledge of each position.

If you have any questions or require assistance in implementation of the above items, please advise us.

Sincerely,

L. Donavon McGuire, CPA
McGuire & McDole
Certified Public Accountants

BERLIN CHARTER TOWNSHIP

Monroe County, Michigan

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2006

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INDEPENDENT AUDITORS' REPORT

Township Board
Berlin Charter Township
8000 Swan View
Newport, Michigan 48166

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Berlin Charter Township, Michigan as of and for the year ended December 31, 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Berlin Charter Township, Michigan as of December 31, 2006, and the respective changes in financial position, and cash flows where applicable, thereof for the year then ended in conformity with generally accepted accounting principles in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 2 through 4 and 24 through 26 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Berlin Charter Township's basic financial statements. The supplementary combining nonmajor fund financial statements and budgetary comparisons are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary combining nonmajor fund financial statements and budgetary comparisons have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGuire & McDole

McGuire & McDole
Certified Public Accountants

May 25, 2007

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements.

The Township as a Whole

The Township's combined net assets increased 3.3% from a year ago – increasing from 22,760.9 thousand to 23,505.9 thousand. As we look at the governmental activities separately from the business-type activities, we can see that the governmental activities experienced an increase, of approximately \$1,319,000 thousand during the year (14.5% increase). The business-type activities experienced a \$574.0 thousand decrease in net assets, primarily as a result of an decrease in new tap ins. In a condensed format, the table below shows a comparison (in thousands of dollars) of the net assets as of the current date to the prior year:

| | <i>Governmental Activities</i> | | <i>Business-Type Activities</i> | | <i>Total</i> | |
|-----------------------------|------------------------------------|-------------------|-------------------------------------|--------------------|--------------------|--------------------|
| | <i>2006</i> | <i>2005</i> | <i>2006</i> | <i>2005</i> | <i>2006</i> | <i>2005</i> |
| Current Assets | \$ 7,172.7 | \$ 6,611.6 | \$ 3,812.1 | \$ 4,087.7 | \$ 10,984.8 | \$ 10,699.3 |
| Noncurrent Assets | 4,087.0 | 3,272.6 | 12,882.6 | 13,238.2 | 16,969.6 | 16,510.8 |
| Total Assets | <u>11,259.7</u> | <u>9,884.2</u> | <u>16,694.7</u> | <u>17,325.9</u> | <u>27,954.4</u> | <u>27,210.1</u> |
| Long-Term Debt Outstanding | 841.5 | 718.3 | 3,495.0 | 3,590.0 | 4,336.5 | 4,308.3 |
| Other Liabilities | 13.6 | 80.4 | 98.2 | 60.5 | 111.8 | 140.9 |
| Total Liabilities | <u>855.1</u> | <u>798.7</u> | <u>3,593.2</u> | <u>3,650.5</u> | <u>4,448.3</u> | <u>4,449.2</u> |
| Net Assets | | | | | | |
| Invested in Capital Assets- | | | | | | |
| Net of Debt | 3,245.5 | 2,554.3 | 9,387.6 | 9,648.2 | 12,633.1 | 12,202.5 |
| Restricted | 266.9 | 266.9 | 613.1 | 613.1 | 880.0 | 880.0 |
| Unrestricted | <u>6,892.1</u> | <u>6,264.3</u> | <u>3,100.7</u> | <u>3,414.1</u> | <u>9,992.8</u> | <u>9,678.4</u> |
| Total Net Assets | <u>\$ 10,404.5</u> | <u>\$ 9,085.5</u> | <u>\$ 13,101.4</u> | <u>\$ 13,675.4</u> | <u>\$ 23,505.9</u> | <u>\$ 22,760.9</u> |

Unrestricted net assets--the part of net assets that can be used to finance day to day operations, increased by \$627,800 for the governmental activities. This represents an increase of approximately 10%. The current level of unrestricted net assets for our governmental activities stands at \$6,892,100, or about 589% of expenditures.

Berlin Charter Township
Management's Discussion and Analysis
December 31, 2006

The following table shows the changes of the net assets (in thousands of dollars) as of the current date to the prior year:

| | <i>Governmental Activities</i> | | <i>Business-Type Activities</i> | | <i>Total</i> | |
|------------------------------------|------------------------------------|-------------------|-------------------------------------|-------------------|-----------------|-------------------|
| | <u>2006</u> | <u>2005</u> | <u>2006</u> | <u>2005</u> | <u>2006</u> | <u>2005</u> |
| Program Revenues | | | | | | |
| Charges for Services | \$ 6.1 | \$ 17.8 | \$ 1,411.4 | \$ 1,528.3 | \$ 1,417.5 | \$ 1,546.1 |
| Operating Grants and Contributions | 560.8 | 1,179.6 | - | - | 560.8 | 1,179.6 |
| Capital Grants and Contributions | - | - | 258.0 | 1,735.0 | 258.0 | 1,735.0 |
| General Revenues | | | | | | |
| Property Taxes | 203.9 | 188.0 | | | 203.9 | 188.0 |
| State-Shared Revenues | 451.9 | 351.5 | | | 451.9 | 351.5 |
| Franchise Fees and Permits | 721.2 | 858.3 | | | 721.2 | 858.3 |
| Unrestricted Investment Earnings | 272.2 | 118.8 | 139.6 | 79.4 | 411.8 | 198.2 |
| Transfers and Other Revenue | 271.4 | 481.6 | | | 271.4 | 481.6 |
| | <u>2,487.5</u> | <u>3,195.6</u> | <u>1,809.0</u> | <u>3,342.7</u> | <u>4,296.5</u> | <u>6,538.3</u> |
| Program Expenses | | | | | | |
| General Government | 516.5 | 510.3 | - | - | 516.5 | 510.3 |
| Public Safety | 537.1 | 540.1 | - | - | 537.1 | 540.1 |
| Public Works | 46.9 | 323.1 | - | - | 46.9 | 323.1 |
| Recreation and Culture | 24.6 | 29.4 | - | - | 24.6 | 29.4 |
| Interest on Long-Term Debt | 44.1 | 9.7 | - | - | 44.1 | 9.7 |
| Water and Sewer | - | - | 2,382.9 | 2,340.2 | 2,382.9 | 2,340.2 |
| Total Expenses | <u>1,169.2</u> | <u>1,412.6</u> | <u>2,382.9</u> | <u>2,340.2</u> | <u>3,552.1</u> | <u>3,752.8</u> |
| Change in Net Assets | <u>\$ 1,318.3</u> | <u>\$ 1,783.0</u> | <u>\$ (573.9)</u> | <u>\$ 1,002.5</u> | <u>\$ 744.4</u> | <u>\$ 2,785.5</u> |

The Township's net assets continue to remain healthy. The total revenues decreased by \$2,241,800 due to tap-in revenue and assessments while expenses decreased by 5.3% . As a result, net assets grew by \$744,400, compared to a prior year increase of \$2,785,500.

Governmental Activities

The Township's total governmental revenues decreased by approximately \$708,100 as a result of a prior year assessment district..

Expenses decreased by \$243,400 during the year. This was primarily the result of reduced public works expenses.

Business-Type Activities

The Township's business-type activities consist of a Water and a Sewer Fund. Water is purchased from the City of Detroit. Sewage treatment is provided to residents through our own treatment facility.

The Township's Funds

Our analysis of the Township's major funds begins on page 7, following the entity wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Township's major funds for 2006 include the General Fund, the Fire Fund, and the Building Inspection Fund.

The General Fund pays for most of the Township's governmental services. Fire protection is provided by the Fire Fund which receives revenues from a Township wide assessment.

General Fund Budgetary Highlights

During the fiscal period 2006, the Township Board amended the budget to reflect changes which took place during the year. Material changes relate to a highways and streets expense.

All departments were within budget allocation.

Capital Asset and Debt Administration

At December 31, 2006, the Township had \$16,108,700 invested in a broad range of capital assets, including buildings, fire equipment, and water and sewer lines.

Debt totaled \$4,336,464 which will be retired over the next twenty-one years.

Economic Factors and Next Year's Budgets and Rates

The General Fund 2007 fiscal budgeted revenue is expected to be \$2,527,905. The total General Fund budget is approximately 43% greater than the last fiscal year.

The Township has accumulated funds for roads for over the past several years and has now scheduled \$1.4 million for major road replacement and improvement.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the clerk's office.

BERLIN CHARTER TOWNSHIP
GOVERNMENT WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2006

| | Primary Government | | |
|--|------------------------------------|---------------------------------------|----------------------|
| | <i>Governmental Activities</i> | <i>Business - Type Activities</i> | <i>Total</i> |
| Assets | | | |
| Cash and Cash Equivalents | \$ 5,549,908 | \$ 3,325,036 | \$ 8,874,944 |
| Receivables (Net of Allowance for Uncollectibles): | | | |
| Accounts | - | 384,401 | 384,401 |
| Taxes | 186,585 | - | 186,585 |
| Assessments | 990,827 | - | 990,827 |
| Due From State of Michigan | 116,136 | - | 116,136 |
| Inventory | - | 101,567 | 101,567 |
| Internal Balances | - | - | - |
| Restricted Cash With Fiscal Agent | 329,219 | 1,085 | 330,304 |
| | <u>7,172,675</u> | <u>3,812,089</u> | <u>10,984,764</u> |
| Capital Assets: | | | |
| Land | 651,600 | - | 651,600 |
| Buildings and System | 1,462,800 | 21,555,104 | 23,017,904 |
| Improvements Other than Buildings | 204,715 | - | 204,715 |
| Infrastructure | 860,856 | | |
| Machinery and Equipment | 1,923,770 | 819,170 | 2,742,940 |
| Construction in Progress | - | - | - |
| Less Accumulated Depreciation | (1,016,740) | (9,491,680) | (10,508,420) |
| Total Capital Assets (Net of Accumulated Depreciation) | <u>4,087,001</u> | <u>12,882,594</u> | <u>16,108,739</u> |
| Total Assets | <u>11,259,676</u> | <u>16,694,683</u> | <u>27,093,503</u> |
| Liabilities | | | |
| Accounts Payable | 6,253 | 68,897 | 75,150 |
| Accrued Expenses | 7,394 | 29,342 | 36,736 |
| Noncurrent Liabilities: | | | |
| Due Within One Year | 227,482 | 100,000 | 327,482 |
| Due in More Than One Year | 613,982 | 3,395,000 | 4,008,982 |
| Total Liabilities | <u>855,111</u> | <u>3,593,239</u> | <u>4,448,350</u> |
| Net Assets | | | |
| Invested in Capital Assets Net of Related Debt | 3,245,537 | 9,387,594 | 12,633,131 |
| Restricted for: | | | |
| Improvements | 266,916 | 613,101 | 880,017 |
| Unrestricted | 6,892,112 | 3,100,749 | 9,992,861 |
| Total Net Assets | <u>\$ 10,404,565</u> | <u>\$ 13,101,444</u> | <u>\$ 23,506,009</u> |

See Accompanying Notes to the Financial Statements.

BERLIN CHARTER TOWNSHIP

**GOVERNMENT WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006**

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Assets | | |
|--------------------------------------|---------------------|-------------------------|--|--|--|-----------------------------|----------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | |
| | | | | | Governmental Activities | Business-Type Activities | Total |
| Primary Government | | | | | | | |
| Governmental Activities: | | | | | | | |
| General Government | \$ 516,474 | \$ 6,145 | \$ - | \$ - | \$ (510,329) | \$ - | \$ (510,329) |
| Public Safety | 537,091 | - | 560,828 | - | 23,737 | - | 23,737 |
| Public Works | 46,911 | - | - | - | (46,911) | - | (46,911) |
| Culture and Recreation | 24,569 | - | - | - | (24,569) | - | (24,569) |
| Interest on Long-Term Debt | 44,188 | - | - | - | (44,188) | - | (44,188) |
| Total Governmental Activities | 1,169,233 | 6,145 | 560,828 | - | (602,260) | - | (602,260) |
| Business-Type Activities: | | | | | | | |
| Sewer | 1,184,405 | 652,417 | - | 78,300 | | (453,688) | (453,688) |
| Water | 1,198,494 | 759,013 | - | 179,661 | | (259,820) | (259,820) |
| Total Business-Type Activities | 2,382,899 | 1,411,430 | - | 257,961 | | (713,508) | (713,508) |
| Total Primary Government | <u>\$ 3,552,132</u> | <u>\$ 1,417,575</u> | <u>\$ 560,828</u> | <u>\$ 257,961</u> | (602,260) | (713,508) | (1,315,768) |
| General Revenues: | | | | | | | |
| Property Taxes | | | | | 203,915 | - | 203,915 |
| State Shared Revenues | | | | | 451,882 | - | 451,882 |
| Franchise Fees and Permits | | | | | 721,280 | - | 721,280 |
| Unrestricted Investment Earnings | | | | | 272,168 | 139,544 | 411,712 |
| Miscellaneous | | | | | 271,379 | - | 271,379 |
| Transfers | | | | | - | - | - |
| Total General Revenues and Transfers | | | | | 1,920,624 | 139,544 | 2,060,168 |
| Change in Net Assets | | | | | 1,318,364 | (573,964) | 744,400 |
| Net Assets - Beginning | | | | | 9,086,201 | 13,675,408 | 22,761,609 |
| Net Assets - Ending | | | | | <u>\$ 10,404,565</u> | <u>\$ 13,101,444</u> | <u>\$ 23,506,009</u> |

BERLIN CHARTER TOWNSHIP

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2006**

| | <u>General</u> | <u>Fire</u> | <u>Building</u> | <u>Total Governmental Funds</u> |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|---|
| <i>Assets</i> | | | | |
| Cash and Cash Equivalents | \$ 4,372,988 | \$ 796,278 | \$ 380,642 | \$ 5,549,908 |
| Taxes Receivable | 186,585 | - | - | 186,585 |
| Due From Other Funds | - | - | - | - |
| Due From State | 116,136 | - | - | 116,136 |
| Assessments Receivable | 464,269 | 526,558 | - | 990,827 |
| Restricted Cash | 329,219 | - | - | 329,219 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total Assets | <u>\$ 5,469,197</u> | <u>\$ 1,322,836</u> | <u>\$ 380,642</u> | <u>\$ 7,172,675</u> |
| <i>Liabilities and Fund Balance</i> | | | | |
| Liabilities: | | | | |
| Accounts Payable | \$ 1,078 | \$ 1,002 | \$ 4,173 | \$ 6,253 |
| Due to Other Funds | - | - | - | - |
| Deferred Revenue | 662,407 | 560,887 | - | 1,223,294 |
| Total Liabilities | <u>663,485</u> | <u>561,889</u> | <u>4,173</u> | <u>1,229,547</u> |
| Fund Equity : | | | | |
| Fund Balance: | | | | |
| Unreserved-Undesignated | 4,538,796 | 760,947 | 376,469 | 5,676,212 |
| Reserved | 266,916 | - | - | 266,916 |
| Total Fund Equity | <u>4,805,712</u> | <u>760,947</u> | <u>376,469</u> | <u>5,943,128</u> |
| Total Liabilities and Equity | <u>\$ 5,469,197</u> | <u>\$ 1,322,836</u> | <u>\$ 380,642</u> | |

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

4,087,001

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

1,223,294

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

(848,858)

Net Assets of Governmental Activities

\$ 10,404,565

See Accompanying Notes to the Financial Statements

BERLIN CHARTER TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006

| | <i>General</i> | <i>Fire</i> | <i>Building</i> | <i>Total Governmental Funds</i> |
|--|---------------------|-------------------|-------------------|---|
| Revenues: | | | | |
| Taxes | \$ 187,380 | \$ - | \$ - | \$ 187,380 |
| Licenses and Permits | 482,556 | - | 238,724 | 721,280 |
| State Grants | 361,727 | 90,155 | - | 451,882 |
| Charges for Services | 6,145 | - | - | 6,145 |
| Special Assessments | 69,921 | 559,389 | - | 629,310 |
| Fines and Forfeits | 812 | - | - | 812 |
| Interest | 213,917 | 41,403 | 16,848 | 272,168 |
| Other | 228,367 | 42,200 | - | 270,567 |
| Total Revenues | <u>1,550,825</u> | <u>733,147</u> | <u>255,572</u> | <u>2,539,544</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General Government | 500,460 | - | - | 500,460 |
| Public Safety | - | 292,567 | 264,491 | 557,058 |
| Public Works | 378,459 | - | - | 378,459 |
| Recreational and Cultural | 11,793 | - | - | 11,793 |
| Debt Service: | | | | |
| Principal | 65,000 | 299,575 | - | 364,575 |
| Interest and Fiscal Charges | 19,735 | 24,453 | - | 44,188 |
| Total Expenditures | <u>975,447</u> | <u>616,595</u> | <u>264,491</u> | <u>1,856,533</u> |
| Excess of Revenue Over (Under) Expenditures | <u>575,378</u> | <u>116,552</u> | <u>(8,919)</u> | <u>683,011</u> |
| Other Financing Sources (Uses): | | | | |
| Bond Proceeds | - | - | - | - |
| Operating Transfers In | - | - | - | - |
| Operating Transfers Out | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses | 575,378 | 116,552 | (8,919) | 683,011 |
| Fund Balance - Beginning | <u>4,230,334</u> | <u>644,395</u> | <u>385,388</u> | |
| Fund Balance - Ending | <u>\$ 4,805,712</u> | <u>\$ 760,947</u> | <u>\$ 376,469</u> | |

Amounts reported for governmental activities in the statement of activities are different because:

-Governmental funds report capital outlays as expenditures; in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

325,941

-Special assessment and similar revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

(51,947)

-Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)

364,575

-Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

(3,216)

Change in Net Assets of Governmental Activities

\$ 1,318,364

See Accompanying Notes to the Financial Statements.

BERLIN CHARTER TOWNSHIP
PROPRIETARY FUNDS STATEMENT OF NET ASSETS
DECEMBER 31, 2006

| | Sewage System Current Year | Sewage System Prior Year | Water System Current Year | Water System Prior Year | Totals |
|---|----------------------------------|--------------------------------|---------------------------------|-------------------------------|---------------|
| Assets | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | \$ 2,448,039 | \$ 2,649,568 | \$ 876,997 | \$ 872,131 | \$ 3,325,036 |
| Accounts Receivable | 192,285 | 226,128 | 192,116 | 231,327 | 384,401 |
| Inventory | - | - | 101,567 | 107,453 | 101,567 |
| Due from Other Funds | - | - | 22,179 | 22,179 | 22,179 |
| Total Current Assets | 2,640,324 | 2,875,696 | 1,192,859 | 1,233,090 | 3,833,183 |
| Noncurrent Assets: | | | | | |
| Restricted Cash | 549 | 549 | 536 | 536 | 1,085 |
| Buildings and System | 11,718,107 | 11,707,406 | 9,836,997 | 9,780,533 | 21,555,104 |
| Machinery and Equipment | 819,170 | 696,873 | - | - | 819,170 |
| Construction in Progress | - | - | - | - | - |
| Less Accumulated Depreciation | (5,308,027) | (5,019,865) | (4,183,653) | (3,926,768) | (9,491,680) |
| Total Noncurrent Assets: | 7,229,799 | 7,384,963 | 5,653,880 | 5,854,301 | 12,883,679 |
| Total Assets | 9,870,123 | 10,260,659 | 6,846,739 | 7,087,391 | 16,716,862 |
| Liabilities | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | 1,264 | 1,206 | 67,633 | 29,103 | 68,897 |
| Accrued Expenses | 11,758 | 12,042 | 17,584 | 18,112 | 29,342 |
| Due to Other Funds | 22,179 | 22,179 | - | - | 22,179 |
| Current Portion - Bonds Payable | 40,000 | 40,000 | 60,000 | 55,000 | 100,000 |
| Total Current Liabilities | 75,201 | 75,427 | 145,217 | 102,215 | 220,418 |
| Noncurrent Liabilities: | | | | | |
| Bonds Payable | 1,620,000 | 1,660,000 | 1,775,000 | 1,835,000 | 3,395,000 |
| Total Liabilities | 1,695,201 | 1,735,427 | 1,920,217 | 1,937,215 | 3,615,418 |
| Net Assets | | | | | |
| Invested in Capital Assets, Net of Related Debt | 5,569,250 | 5,684,414 | 3,818,344 | 3,963,765 | 9,387,594 |
| Restricted For Improvements | 192,675 | 192,675 | 420,426 | 420,426 | 613,101 |
| Unrestricted | 2,412,997 | 2,648,143 | 687,752 | 765,985 | 3,100,749 |
| Total Net Assets | \$ 8,174,922 | \$ 8,525,232 | \$ 4,926,522 | \$ 5,150,176 | \$ 13,101,444 |

See Accompanying Notes to the Financial Statements.

BERLIN CHARTER TOWNSHIP
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

| | <i>Business-type Activities - Enterprise Funds</i> | | | | |
|------------------------------------|--|---|--|--|----------------------|
| | <i>Sewage System Current Year</i> | <i>Sewage System Prior Year</i> | <i>Water System Current Year</i> | <i>Water System Prior Year</i> | <i>Totals</i> |
| Operating Revenue: | | | | | |
| Use Charges | \$ 465,426 | \$ 514,088 | \$ 495,498 | \$ 538,078 | \$ 960,924 |
| Capital Improvement Charges | 164,100 | 151,022 | 207,872 | 202,714 | 371,972 |
| Meter Service | - | - | 17,163 | 16,285 | 17,163 |
| Turn On/Off Charges | - | - | 1,410 | 3,938 | 1,410 |
| Late Charges | 16,715 | 18,400 | 15,264 | 16,168 | 31,979 |
| Other | 6,176 | 37,269 | 21,806 | 30,382 | 27,982 |
| Total Operating Revenue | <u>652,417</u> | <u>720,779</u> | <u>759,013</u> | <u>807,565</u> | <u>1,411,430</u> |
| Operating Expenses | | | | | |
| Water Purchases | - | - | 395,072 | 375,437 | 395,072 |
| Wages | 137,147 | 132,908 | 128,234 | 125,817 | 265,381 |
| Benefits | 78,927 | 74,116 | 78,551 | 73,726 | 157,478 |
| Supplies | 52,497 | 71,131 | 9,698 | 7,739 | 62,195 |
| Professional Services | 14,529 | 21,789 | 7,638 | 24,975 | 22,167 |
| Repair and Maintenance | 86,653 | 46,217 | 184,805 | 303,717 | 271,458 |
| Insurance | 15,280 | 14,833 | 15,280 | 14,833 | 30,560 |
| Utilities | 87,441 | 80,952 | 10,252 | 8,075 | 97,693 |
| Other | 345,634 | 224,442 | 1,747 | 8,852 | 347,381 |
| Depreciation | 288,162 | 277,727 | 256,885 | 259,943 | 545,047 |
| Total Operating Expenses | <u>1,106,270</u> | <u>944,115</u> | <u>1,088,162</u> | <u>1,203,114</u> | <u>2,194,432</u> |
| Operating Income (Loss) | <u>(453,853)</u> | <u>(223,336)</u> | <u>(329,149)</u> | <u>(395,549)</u> | <u>(783,002)</u> |
| Non-Operating Revenues (Expenses): | | | | | |
| Interest Income | 103,378 | 53,709 | 36,166 | 25,697 | 139,544 |
| Interest Expense | (78,135) | (79,439) | (110,332) | (113,531) | (188,467) |
| Tap Fees | 78,300 | 1,554,000 | 179,661 | 181,000 | 257,961 |
| Total Non-Operating Income (Loss) | <u>103,543</u> | <u>1,528,270</u> | <u>105,495</u> | <u>93,166</u> | <u>209,038</u> |
| Change in Net Assets | (350,310) | 1,304,934 | (223,654) | (302,383) | (573,964) |
| Total Net Assets - Beginning | <u>8,525,232</u> | <u>7,220,298</u> | <u>5,150,176</u> | <u>5,452,559</u> | <u>13,675,408</u> |
| Total Net Assets - Ending | <u>\$ 8,174,922</u> | <u>\$ 8,525,232</u> | <u>\$ 4,926,522</u> | <u>\$ 5,150,176</u> | <u>\$ 13,101,444</u> |

See Accompanying Notes to the Financial Statements.

BERLIN CHARTER TOWNSHIP
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
DECEMBER 31, 2006

| | <i>Business-type Activities - Enterprise Funds</i> | | | | |
|--|--|--------------------------|-------------------------|-------------------------|---------------------|
| | <i>Sewage System</i> | <i>Sewage System</i> | <i>Water System</i> | <i>Water System</i> | <i>Totals</i> |
| | <i>Current Year</i> | <i>Prior Year</i> | <i>Current Year</i> | <i>Prior Year</i> | |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Receipts from customers and users | \$ 686,260 | \$ 680,076 | \$ 798,224 | \$ 755,183 | \$ 1,484,484 |
| Payments to suppliers | (681,187) | (543,968) | (659,155) | (879,537) | (1,340,342) |
| Payments to employees | (137,147) | (132,908) | (128,234) | (125,817) | (265,381) |
| Net Cash Provided by Operating Activities | <u>(132,074)</u> | <u>3,200</u> | <u>10,835</u> | <u>(250,171)</u> | <u>(121,239)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Investment Interest | 103,378 | 53,709 | 36,166 | 25,697 | 139,544 |
| Net Increase From Investing Activities | <u>103,378</u> | <u>53,709</u> | <u>36,166</u> | <u>25,697</u> | <u>139,544</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | | |
| Transfers In (Out) | - | - | - | - | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | | |
| Purchases of Fixed Assets | (132,998) | (697,066) | (56,464) | (257,138) | (189,462) |
| Tap Fees | 78,300 | 1,554,000 | 179,661 | 181,000 | 257,961 |
| Proceeds From Bonds | - | - | - | - | - |
| Principal Payments | (40,000) | (35,000) | (55,000) | (50,000) | (95,000) |
| Interest Paid | (78,135) | (79,439) | (110,332) | (113,531) | (188,467) |
| Net Cash Used For Capital and Related Financing Activities | <u>(172,833)</u> | <u>742,495</u> | <u>(42,135)</u> | <u>(239,669)</u> | <u>(214,968)</u> |
| Net Increase(Decrease) In Cash and Cash Equivalents | (201,529) | 799,404 | 4,866 | (464,143) | (196,663) |
| Cash and Cash Equivalents - Beginning | <u>2,650,117</u> | <u>1,850,713</u> | <u>872,667</u> | <u>1,336,810</u> | <u>3,522,784</u> |
| Cash and Cash Equivalents - Ending | <u>\$ 2,448,588</u> | <u>\$ 2,650,117</u> | <u>\$ 877,533</u> | <u>\$ 872,667</u> | <u>\$ 3,326,121</u> |
| Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities: | | | | | |
| Operating Income (Loss) | \$ (453,853) | \$ (223,336) | \$ (329,149) | \$ (395,549) | \$ (783,002) |
| Depreciation | 288,162 | 277,727 | 256,885 | 259,943 | 545,047 |
| (Increase) Decrease in Current Assets and Increase (Decrease) in Liabilities: | | | | | |
| Accounts Receivable | 33,843 | (40,703) | 39,211 | (52,472) | 73,054 |
| Interfunds | - | - | - | - | - |
| Accounts Payable | 58 | (10,240) | 38,530 | 4,405 | 38,588 |
| Accrued Expenses | (284) | (248) | (528) | (479) | (812) |
| Inventory | - | - | 5,886 | (66,019) | 5,886 |
| Total Adjustments | <u>321,779</u> | <u>226,536</u> | <u>339,984</u> | <u>145,378</u> | <u>661,763</u> |
| Net Cash Provided by Operating Activities | <u>\$ (132,074)</u> | <u>\$ 3,200</u> | <u>\$ 10,835</u> | <u>\$ (250,171)</u> | <u>\$ (121,239)</u> |

See Accompanying Notes to the Financial Statements.

BERLIN CHARTER TOWNSHIP**FIDUCIARY FUND -- STATEMENT OF NET ASSETS**

DECEMBER 31, 2006

| | <i>Pension Trust Fund</i> | <i>Agency Fund Type (Property Tax Collection Fund)</i> |
|------------------------------------|-----------------------------------|--|
| Assets | | |
| Cash and Cash Equivalents | \$ - | \$ 593,893 |
| Investments at Fair Value: | | |
| Mutual Funds | 1,106,341 | - |
| Taxes Receivable | - | 6,199,563 |
| Total Assets | 1,106,341 | \$ 6,793,456 |
| Liabilities | | |
| Due to County | - | 1,719,890 |
| Due to State | - | 1,673,688 |
| Due to Schools | - | 3,304,813 |
| Due to Others | - | 95,065 |
| Total Liabilities | - | \$ 6,793,456 |
| Net Assets | | |
| Held in Trust for Pension Benefits | \$ 1,106,341 | |

See Accompanying Notes to the Financial Statements.

BERLIN CHARTER TOWNSHIP**FIDUCIARY FUND STATEMENT OF CHANGES IN PLAN NET ASSETS**

DECEMBER 31, 2006

| | <i>Pension Trust Fund</i> |
|---|-----------------------------------|
| <hr/> | |
| Additions: | |
| Contributions | |
| Employer | \$ 71,405 |
| Plan Members | 118,315 |
| | <hr/> |
| Total Contributions | 189,720 |
| Investment Income | |
| Net Appreciation (Depreciation) in Fair Value of Investments | 104,061 |
| | <hr/> |
| Total Additions | 293,781 |
| | <hr/> |
| Deductions: | |
| Participant Withdrawals | 39,773 |
| Administrative Fees | 11,484 |
| | <hr/> |
| Total Deductions | 51,257 |
| | <hr/> |
| Net Change in Net Assets | 242,524 |
| Net Assets - Beginning | 863,817 |
| | <hr/> |
| Net Assets - Ending | <u><u>\$ 1,106,341</u></u> |

See Accompanying Notes to the Financial Statements

NOTE 1 - Summary of Significant Accounting Policies

NOTE 2 - Reconciliation of Government-Wide and Fund Financial Statements

NOTE 3 - Stewardship, Compliance and Accountability

NOTE 4 - Deposits and Investments

NOTE 5 - Receivables

NOTE 6 - Capital Assets

NOTE 7 - Interfund Receivables, Payables and Transfers

NOTE 8 - Leases

NOTE 9 - Long-term Debt

NOTE 10 - Restricted Assets

NOTE 11 - Risk Management

NOTE 12 - Employee Retirement Plan

NOTE 13 - Pending Litigation

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Berlin Charter Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Berlin Charter Township:

A - Reporting Entity

Berlin Charter Township is a municipal corporation governed by an elected seven member board. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the government's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Component Units

Berlin Charter Township has no component units.

B - Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C - Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, relating to compensated absences, and claims and judgments are recorded only when payment is due.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes, state-shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered available only when cash is received by the government.

Berlin Charter Township property tax is levied on each December 1st on the taxable valuation of property (as defined by State statutes) located in the Berlin Charter Township as of the preceding December 31st. Although the Berlin Charter Township 2006 ad valorem tax is levied and collectible on December 1, 2006, it is the Berlin Charter Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). The 2006 taxable valuation of the Berlin Charter Township totaled \$254.4 million, on which ad valorem taxes levied consisted of .7071 mills for the Berlin Charter Township operating purposes. The taxes generated are recognized in the respective General Fund financial statements as taxes receivable - current or as tax revenue.

The government reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Fire Fund accounts for specific revenues and fire protection expenses.

The Building Fund accounts for specific revenues and inspection expenses.

The government reports the following major proprietary funds:

The Water Fund accounts for the activities of the water transmission system.

The Sewer Fund accounts for the sewer treatment system expenses, construction and related debt service.

Additionally, the government reports the following fund types:

The pension trust fund accounts for the activities of the township employees retirement system which accumulates resources for pension benefit payments to qualified employees.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The government has elected not to follow private-sector standards issued after November 30, 1989 for its business type activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer function and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for sales and services. The water and sewer fund also recognizes tap fees as operating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments--Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables--In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed.

Inventories and Prepaid Items--Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets--The bonds of the enterprise funds require amounts to be set aside for construction, debt service principal and interest, operations and maintenance, and a bond reserve. These amounts have been classified as restricted assets, as well as amounts on deposit at the county being held for the construction or debt service of Berlin Charter Township's water and sewer lines.

Capital Assets--Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

| | |
|-----------------------------------|----------------|
| Buildings | 50 years |
| Improvements Other than Buildings | 20 years |
| Machinery and Equipment | 5 to 20 years |
| Water and Sewer Lines | 40 to 50 years |

Compensated Absences (Vacation and Sick Leave)--It is *not* the government's policy to permit employees to accumulate earned but unused sick and vacation pay benefits.

Long-Term Obligations--In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

Fund Equity--In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Comparative Data/Reclassifications--Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Use of Estimates -- Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

NOTE 2--RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds". The details of this \$722,520 are as follows:

| | |
|---------------------|---------------------|
| Road Bonds | \$ (575,000) |
| Fire Vehicles Notes | (143,342) |
| Accrued Interest | (4,178) |
| | <u>\$ (722,520)</u> |

NOTE 2--RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "-Governmental funds report capital outlays as expenditures; in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense". The details of this \$373,234 are as follows:

| | |
|----------------|-------------------|
| Capital outlay | \$ 511,677 |
| Depreciation | (138,443) |
| | <u>\$ 373,234</u> |

NOTE 3--STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information-- Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and all special revenue funds. All annual appropriations lapse at fiscal year-end. On or before the 1st day of September the Supervisor shall prepare and submit to the Township Board a recommended budget within the tax limit and other revenue sources of the Township covering the next fiscal year. A public hearing on the budget shall be held before its final adoption. On or before the end of the fiscal year, the Township Board shall adopt a budget for the ensuing fiscal year. The budget document presents information by fund, function, department and line items. The legal level of budgetary control adopted by the governing body is the department level. (i.e., The level at which expenditures may not legally exceed appropriations). The Supervisor is authorized to transfer budgeted amounts between line-items within an activity category; however, any revisions that alter the total expenditures of any activity must be approved by the Township Board.

Amounts encumbered for purchase orders, contracts, etc., are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Excess of Expenditures Over Appropriations in Budgeted Funds-- During the year, Berlin Charter Township incurred no expenditures which were in excess of the amounts appropriated.

Fund Deficits-- Berlin Charter Township has no accumulated fund balance/retained earning deficits.

NOTE 4--DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Local Governmental Unit Board has designated one bank for the deposit of Local Unit funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of State statutory authority as listed above.

The Local Governmental Unit's deposits and investment policy are in accordance with statutory authority

NOTE 4--DEPOSITS AND INVESTMENTS (Continued)

At year-end, the Local Unit's deposits and investments were reported in the basic financial statements in the following categories:

| <u>Primary Government</u> | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> | <u>Bank Balance</u> |
|---------------------------|---------------------------------------|-------------------------------------|---------------------|-------------------------|
| Cash and Cash Equivalents | \$ 5,549,908 | \$ 3,325,036 | \$ 8,874,944 | \$ 10,025,154 |
| Restricted Cash | 329,219 | 1,085 | 330,304 | 330,304 |
| Total | <u>\$ 5,879,127</u> | <u>\$ 3,326,121</u> | <u>\$ 9,205,248</u> | <u>\$ 10,355,458</u> |
| | Federal Depository Insurance Coverage | | | <u>\$ 100,000</u> |

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township evaluates each financial institution and assesses the risk level of each one, those with adequate risk levels are used for deposits. The Township has policy for this risk.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not recover the value of its investments or collateral securities that are in the custody of an outside party. The Township has only investments in mutual funds in the amount of \$1,106,341 which are uninsured, unregistered and held by counterparties for the particular securities. The Township has no policy for this risk.

Interest Rate Risk

Interest rate risk is the risk that the value on investments will decrease as a result of a rise in interest rates. The Township has no policy for this risk. The Township has no policy with respect to investment maturities.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by a nationally recognized statistical rating organizations. The Township follows the state guidelines and has no investments in this category. The Township has no policy for this risk.

NOTE 5--RECEIVABLES

Receivables as of year-end for the government's individual major and nonmajor funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

| | <u>General Fund</u> | <u>Fire Fund</u> | <u>Water Fund</u> | <u>Sewer Fund</u> | <u>Total</u> |
|---------------------------------------|-------------------------|----------------------|-----------------------|-----------------------|---------------------|
| Accounts | \$ - | \$ - | \$ 192,116 | \$ 192,285 | \$ 384,401 |
| Special Assessments | 464,269 | 526,558 | - | - | 990,827 |
| Taxes | 186,585 | - | - | - | 186,585 |
| Gross Receivables | 650,854 | 526,558 | 192,116 | 192,285 | 1,561,813 |
| Less: Allowance for Uncollectibles | - | - | - | - | - |
| Net Receivables | <u>\$ 650,854</u> | <u>\$ 526,558</u> | <u>\$ 192,116</u> | <u>\$ 192,285</u> | <u>\$ 1,561,813</u> |

NOTE 5--RECEIVABLES (Continued)

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

| | |
|-------------|---------------------|
| | <i>Unavailable</i> |
| Taxes | \$ 184,113 |
| Assessments | 1,039,181 |
| | <u>\$ 1,223,294</u> |

NOTE 6--CAPITAL ASSETS

Capital asset activity of the government for the current year was as follows:

| | <i>Beginning Balance</i> | <i>Increases</i> | <i>Decreases</i> | <i>Ending Balance</i> |
|--|------------------------------|---------------------|------------------|---------------------------|
| <u>Governmental Activities</u> | | | | |
| Capital Assets Not Being Depreciated : | | | | |
| Land | \$ 651,600 | \$ - | \$ - | \$ 651,600 |
| Capital Assets Being Depreciated : | | | | |
| Buildings | 1,462,800 | - | - | 1,462,800 |
| Improvements Other Than Buildings | 204,715 | - | - | 204,715 |
| Infrastructure | 486,644 | 374,212 | - | 860,856 |
| Machinery and Equipment | 1,359,803 | 628,967 | (65,000) | 1,923,770 |
| Subtotal | <u>3,513,962</u> | <u>1,003,179</u> | <u>(65,000)</u> | <u>4,452,141</u> |
| Less Accumulated Depreciation for : | | | | |
| Buildings | 226,546 | 29,256 | | 255,802 |
| Improvements Other Than Buildings | 70,171 | 10,236 | | 80,407 |
| Infrastructure | 24,332 | 43,043 | | 67,375 |
| Machinery and Equipment | 571,149 | 107,007 | (65,000) | 613,156 |
| Subtotal | <u>892,198</u> | <u>189,542</u> | <u>(65,000)</u> | <u>1,016,740</u> |
| Net Capital Assets Being Depreciated | <u>2,621,764</u> | <u>813,637</u> | <u>-</u> | <u>3,435,401</u> |
| Governmental Activities Total | | | | |
| Capital Assets--Net of Depreciation | <u>\$ 3,273,364</u> | <u>\$ 813,637</u> | <u>\$ -</u> | <u>\$ 4,087,001</u> |
| <u>Business-Type Activities</u> | | | | |
| Capital Assets Not Being Depreciated : | | | | |
| Land | \$ - | \$ - | \$ - | \$ - |
| Construction in Progress | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Capital Assets Being Depreciated : | | | | |
| Buildings and System | 21,516,444 | 38,660 | - | 21,555,104 |
| Machinery and Equipment | 668,368 | 150,802 | - | 819,170 |
| | <u>22,184,812</u> | <u>189,462</u> | <u>-</u> | <u>22,374,274</u> |
| Less Accumulated Depreciation for : | | | | |
| Buildings and System | 8,479,121 | 312,294 | | 8,791,415 |
| Machinery and Equipment | 467,512 | 232,753 | | 700,265 |
| | <u>8,946,633</u> | <u>545,047</u> | <u>-</u> | <u>9,491,680</u> |
| Net Capital Assets Being Depreciated | <u>13,238,179</u> | <u>(355,585)</u> | <u>-</u> | <u>12,882,594</u> |
| Business-Type Activities Total | | | | |
| Capital Assets--Net of Depreciation | <u>\$ 13,238,179</u> | <u>\$ (355,585)</u> | <u>\$ -</u> | <u>\$ 12,882,594</u> |

NOTE 6--CAPITAL ASSETS (Continued)

Depreciation expense was charged to programs of the primary government as follows:

| <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | |
|--------------------------------|-------------------|---------------------------------|------------|
| General Government | \$ 17,992 | Sewer | \$ 288,162 |
| Public Safety | 115,731 | Water | 256,885 |
| Public Works | 43,043 | Total Business-Type | |
| Recreation and Culture | 12,776 | Activities | \$ 545,047 |
| Total Governmental Activities | <u>\$ 189,542</u> | | |

Construction Commitments

The Township has no construction contract commitments at December 31, 2006.

NOTE 7--INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances is as follows:

| <u>Due To/From Other Funds</u> | | <u>Amount</u> |
|--------------------------------|---------------------|------------------|
| <u>Receivable Fund</u> | <u>Payable Fund</u> | |
| Water | Sewer | <u>\$ 22,179</u> |

Interfund Transfers

There were no interfund transfers for the year.

NOTE 8--LEASES

Berlin Charter Township had no lease obligations at December 31, 2006.

NOTE 9--LONG-TERM DEBT

The government issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. County contractual agreements and installment purchase agreements are also general obligations of the government. Special assessment bonds provide for capital improvements that benefit specific properties, and will be repaid from amounts levied against those properties benefited from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a re-assessment of the district) are received. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Bond and contractual obligation activity can be summarized as follows:

| | <u>Interest Rate</u> | <u>Principal Matures</u> | <u>Beginning Balance</u> | <u>Additions (Reductions)</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|--------------------------------|----------------------|--------------------------|--------------------------|-------------------------------|-----------------------|----------------------------|
| <u>Governmental Activities</u> | | | | | | |
| Limited Tax General Obligation | | | | | | |
| Road Bonds | 3.5-3.85% | 2014 | \$ 575,000 | \$ (65,000) | \$ 510,000 | \$ 65,000 |
| Fire Truck Note | 4.00% | 2008 | - | 331,464 | 331,464 | 162,482 |
| Fire Truck Note | 3.45% | 2006 | 143,342 | (143,342) | - | - |
| Total Governmental Activities | | | <u>\$ 718,342</u> | <u>\$ 123,122</u> | <u>\$ 841,464</u> | <u>\$ 227,482</u> |

NOTE 9--LONG-TERM DEBT (Continued)

Business-Type Activities

County Contractual Obligations

| | | | | | | |
|--------------------------------|------------|------|---------------------|--------------------|---------------------|-------------------|
| Water Supply System 2000 | 5.75-6.00% | 2025 | \$ 1,890,000 | \$ (55,000) | \$ 1,835,000 | \$ 60,000 |
| Sewage Disposal System 2002 | 4.25-5.00% | 2027 | 1,700,000 | (40,000) | 1,660,000 | 40,000 |
| Total Business-Type Activities | | | <u>\$ 3,590,000</u> | <u>\$ (95,000)</u> | <u>\$ 3,495,000</u> | <u>\$ 100,000</u> |

Annual debt service requirements to maturity for the above obligations are as follows:

| <i>Year Ending December 31,</i> | <i>Governmental Activities</i> | | <i>Business-Type Activities</i> | |
|-------------------------------------|--------------------------------|------------------|---------------------------------|---------------------|
| | <i>Principal</i> | <i>Interest</i> | <i>Principal</i> | <i>Interest</i> |
| 2007 | \$ 227,482 | \$ 30,494 | \$ 100,000 | \$ 183,543 |
| 2008 | 233,982 | 21,719 | 110,000 | 178,143 |
| 2009 | 65,000 | 12,685 | 110,000 | 172,494 |
| 2010 | 65,000 | 10,410 | 120,000 | 166,594 |
| 2011 | 65,000 | 8,102 | 125,000 | 160,253 |
| 2012 and after | 185,000 | 10,336 | 2,930,000 | 1,313,202 |
| Total | <u>\$ 841,464</u> | <u>\$ 93,746</u> | <u>\$ 3,495,000</u> | <u>\$ 2,174,229</u> |

NOTE 10--RESTRICTED ASSETS

The balances of the restricted asset (cash with fiscal agent) accounts in the proprietary funds are as follows:

| | |
|-----------------|-----------------|
| Debt Retirement | <u>\$ 1,085</u> |
|-----------------|-----------------|

NOTE 11--RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township purchases commercial insurance for all of these risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in insurance coverage from the prior year.

The Michigan Townships Participating Plan operates as an insurance purchasing pool for local units of government in Michigan. The Plan purchases commercial insurance on behalf of its members at a lower cost than would be available on an individual basis.

NOTE 12--EMPLOYEE RETIREMENT PLAN

Defined Contribution Pension Plan

The Township provides pension benefits for all of its permanent employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. The Township contributes 15% of base wages for each employee. Employees have a mandatory contribution of 3%. An employee is fully vested after 90 days of service. An insurance company administers the plan and the Township makes monthly contributions. The Township's total payroll for the year ended December 31, 2006, was \$580,232. The Township made the required contributions amounting to \$73,342 on covered payroll of \$488,280.

The Plan was established by the Township Board and bargaining agreements and may be amended in the same manner.

Note 13 -- PENDING LITIGATION

At present, there are no cases of litigation pending that would have a material effect on the financial statements.

Required Supplementary Information

BERLIN CHARTER TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2006

| | <i>Budgeted Amounts</i> | | <i>Actual</i> | <i>Variance with</i> |
|---|-------------------------|-------------------|---------------------|-----------------------|
| | <i>Original</i> | <i>Final</i> | <i>Amounts</i> | <i>Final Budget -</i> |
| | | | | <i>Positive</i> |
| | | | | <i>(Negative)</i> |
| Beginning Fund Balance | \$ 299,000 | \$ 449,000 | \$ 4,230,334 | \$ 3,781,334 |
| Resources (Inflows) | | | | |
| Taxes | 180,000 | 180,000 | 187,380 | 7,380 |
| Licenses and Permits | 20,000 | 20,000 | 482,556 | 462,556 |
| State Grants | 300,000 | 300,000 | 361,727 | 61,727 |
| Assessment Revenue | 85,000 | 85,000 | 69,921 | (15,079) |
| Charges for Services | 13,800 | 13,800 | 6,145 | (7,655) |
| Fines & Forfeits | 100 | 100 | 812 | 712 |
| Interest | 10,000 | 10,000 | 213,917 | 203,917 |
| Other | 521,800 | 521,800 | 228,367 | (293,433) |
| Total Resources | 1,130,700 | 1,130,700 | 1,550,825 | 420,125 |
| Amounts Available for Appropriation | 1,429,700 | 1,579,700 | 5,781,159 | 4,201,459 |
| Charges to Appropriations (Outflows) | | | | |
| General Government : | | | | |
| Township Board | 32,850 | 32,850 | 31,058 | 1,792 |
| Supervisor | 40,059 | 40,059 | 38,242 | 1,817 |
| Elections | 21,300 | 21,300 | 14,761 | 6,539 |
| Assessor | 56,000 | 56,000 | 53,326 | 2,674 |
| Attorney | 80,000 | 80,000 | 32,405 | 47,595 |
| Engineering | 30,000 | 30,000 | 27,756 | 2,244 |
| Audit | 6,000 | 6,000 | 2,720 | 3,280 |
| Clerk | 81,903 | 81,903 | 73,577 | 8,326 |
| Board of Review | 3,950 | 3,950 | 803 | 3,147 |
| Township Treasurer | 54,795 | 54,795 | 51,296 | 3,499 |
| Township Hall and Grounds | 109,500 | 109,500 | 35,702 | 73,798 |
| Planning Commission | 85,750 | 85,750 | 17,217 | 68,533 |
| Board of Appeals | 2,550 | 2,550 | 777 | 1,773 |
| Unallocated-Township at Large | 295,183 | 295,183 | 120,820 | 174,363 |
| Total General Government | 899,840 | 899,840 | 500,460 | 399,380 |
| Public Works : | | | | |
| Street Lighting | 39,200 | 39,200 | 24,898 | 14,302 |
| Highways and Streets | 452,510 | 602,510 | 438,296 | 164,214 |
| Total Public Works | 491,710 | 641,710 | 463,194 | 178,516 |
| Cultural and Recreational: | | | | |
| Parks and Recreation | 12,000 | 12,000 | 87 | 11,913 |
| Library | 26,150 | 26,150 | 11,706 | 14,444 |
| Total Recreation and Cultural | 38,150 | 38,150 | 11,793 | 26,357 |
| Transfers to Other Funds | - | - | - | - |
| Total Charges to Appropriations | 1,429,700 | 1,579,700 | 975,447 | 604,253 |
| Budgetary Fund Balance -- Ending | \$ - | \$ - | \$ 4,805,712 | \$ 4,805,712 |

BERLIN CHARTER TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2006

| | <i>Budgeted Amounts</i> | | <i>Actual</i> | <i>Variance with</i> |
|---|-------------------------|--------------|----------------|-----------------------|
| | <i>Original</i> | <i>Final</i> | <i>Amounts</i> | <i>Final Budget -</i> |
| | | | | <i>Positive</i> |
| | | | | <i>(Negative)</i> |
| Beginning Fund Balance | \$ 115,000 | \$ 115,000 | \$ 644,395 | \$ 529,395 |
| Resources (Inflows) | | | | |
| Federal Grants | 90,155 | 90,155 | 90,155 | - |
| Assessment Revenue | 490,000 | 490,000 | 559,389 | 69,389 |
| Interest | 4,000 | 4,000 | 41,403 | 37,403 |
| Other | - | - | 42,200 | 42,200 |
| Total Revenue | 584,155 | 584,155 | 733,147 | 148,992 |
| Amounts Available for Appropriation | 699,155 | 699,155 | 1,377,542 | 678,387 |
| Charges to Appropriations (Outflows) | | | | |
| Public Safety | | | | |
| Fire Station No. 1 | 115,078 | 121,078 | 117,160 | |
| Fire Station No. 2 | 115,077 | 121,077 | 122,274 | |
| Pay Per Call | 139,000 | 127,000 | 53,133 | |
| Total Public Safety | 369,155 | 369,155 | 292,567 | 76,588 |
| Debt Service | | | | |
| Principal | 303,000 | 303,000 | 299,575 | |
| Interest and Fees | 27,000 | 27,000 | 24,453 | |
| | 330,000 | 330,000 | 324,028 | 5,972 |
| Total Charges to Appropriations | 699,155 | 699,155 | 616,595 | 82,560 |
| Budgetary Fund Balance -- Ending | \$ - | \$ - | \$ 760,947 | \$ 760,947 |

BERLIN CHARTER TOWNSHIP
BUDGETARY COMPARISON SCHEDULE
BUILDING FUND
FOR THE YEAR ENDED DECEMBER 31, 2006

| | <i>Budgeted Amounts</i> | | <i>Actual</i> | <i>Variance with</i> |
|---|-------------------------|--------------|----------------|-----------------------|
| | <i>Original</i> | <i>Final</i> | <i>Amounts</i> | <i>Final Budget -</i> |
| | | | | <i>Positive</i> |
| | | | | <i>(Negative)</i> |
| Beginning Fund Balance | \$ 117,000 | \$ 117,000 | \$ 385,388 | \$ 268,388 |
| Resources (Inflows) | | | | |
| Licenses and Permits | 307,000 | 307,000 | 238,724 | (68,276) |
| Interest | 1,000 | 1,000 | 16,848 | 15,848 |
| Total Revenue | 308,000 | 308,000 | 255,572 | (52,428) |
| Amounts Available for Appropriation | 425,000 | 425,000 | 640,960 | 215,960 |
| Charges to Appropriations (Outflows) | | | | |
| Public Safety | | | | |
| Wages | | | 78,198 | |
| Benefits | | | 48,010 | |
| Supplies | | | 9,671 | |
| Maintenance | | | 5,526 | |
| Professional Services | | | 6,096 | |
| Telephone | | | 2,968 | |
| Insurance | | | 13,085 | |
| Utilities | | | 6,312 | |
| Inspection Fees | | | 74,652 | |
| Other | | | 3,513 | |
| Capital | | | 16,460 | |
| Total Charges to Appropriations | 425,000 | 425,000 | 264,491 | 160,509 |
| Budgetary Fund Balance -- Ending | \$ - | \$ - | \$ 376,469 | \$ 376,469 |